

PENSIONS
INVESTMENTS
LIFE INSURANCE



Irish Life

PLANNING FOR YOUR RETIREMENT AT RETIREMENT



AT RETIREMENT

So what happens when your pension finally starts paying out instead of you paying in?

Most pension plans are designed to provide you with an income supplemented by the State Pension.

RETIREMENT LUMP SUM OR REGULAR INCOME

When you retire you stop paying into your pension and the fund is closed. You then have a variety of options. Most people choose to take advantage of a retirement lump sum of up to 25% of the pension fund.

For company pensions your lump sum may be based on your salary and service (up to a maximum of one and a half times your annual salary).

The maximum tax free amount you can receive is €200,000. Retirement lump sums between €200,000 and €500,000 will be subject to standard rate income tax, currently 20%. Any retirement lump sum greater than €500,000 will be taxed at your marginal income tax rate. The Universal Social Charge, PRSI (if applicable) and any other taxes or government levies due at that time will also be deducted.

The rest of the fund can be re-invested a number of ways to provide you with an ongoing pension income. All pension plans allow you to buy an annuity, which will provide you with a regular monthly income in retirement. Some types of plans give you further

options – to invest in an ARF (Approved Retirement Fund) or AMRF (Approved Minimum Retirement Fund), remain invested in your PRSA (vested PRSA) or take a taxable lump sum.

WHAT IS AN APPROVED RETIREMENT FUND (ARF)/VESTED PRSA?

An ARF or a vested PRSA are retirement funds that allow you flexibility with your pension income, while also allowing you the opportunity to further invest. This provides you with greater flexibility and independence, and is now available to employees as well as directors.

When you retire, you can invest your retirement fund in a personal investment account called an Approved Retirement Fund. The key benefit is that you can withdraw money from the account when you need.

Warning: The income you get from this investment may go down as well as up.

WHAT IS AN AMRF (APPROVED MINIMUM RETIREMENT FUND)?

An AMRF is also an investment account for your retirement fund. If you do not have a guaranteed pension income for life of €12,700 a year (or you are not buying an annuity) you must invest €63,500 into an AMRF before you can invest in an ARF.

There are restrictions on the withdrawals you can make from an AMRF before age 75. Your AMRF will become an ARF when you start to receive a guaranteed pension income of €12,700 a year from other sources or you reach age 75. These limits are current as at August 2015.

Ask your Financial Broker or Adviser for more details.

A PENSION PLAN FOR YOU

We can work with you to help identify the best solutions to suit your personal priorities in retirement. For instance, would you prefer a secure, regular income or a fund which you could withdraw money from as and when you need it, and which you would ultimately pass on to your dependants?

Talk to your Financial Broker or Adviser today for more information.

Retirement Plan Checklist



- ☐ Do you know the overall size of your pension fund?
- ☐ How much income will you need (currently a single person aged 65 or over can receive up to €18,000 tax free per year).
- ☐ How do you plan on using your retirement lump sum – to clear debt or save for your future needs?
- ☐ Do you have any other assets besides your retirement fund which you will rely on?
- ☐ Are you looking for further investment growth or security with your fund?
- ☐ Are you willing to accept the risk that the value of your ARF/vested PRSA could decrease over time due to income withdrawals and low growth rates?
- ☐ How much you want to pass on to your dependants/family?

Check out the online Pension Calculator at www.irishlife.ie/pensions to see the kind of income you can expect in retirement.



For advice

on how to make the most of your retirement savings now,
book a meeting with your Financial Broker or Adviser today.

WHY CHOOSE IRISH LIFE?



Ireland's leading life insurance and pensions provider (based on market share 2014). Irish Life have been helping people in Ireland plan for their retirement for **OVER 75 YEARS.**



Irish Life's investment manager won **TWO MAJOR AWARDS** at the European Pension Awards 2014.



Irish Life's investment manager manages over **€50 BILLION** the most money for people in Ireland.



We offer an innovative range of investment funds called **Irish Life MAPS** – a range of five Multi-Asset Portfolio funds to suit a range of investors from careful to very adventurous.



> 1 MILLION

Irish Life have over **1 MILLION CUSTOMERS** in Ireland.



With **24/7 online service** and a Dundalk based customer service team Irish Life aim for the highest quality customer service.



Irish Life is now part of the Great-West Lifeco group of companies, one of the world's leading life assurance organisations.

PENSIONS
INVESTMENTS
LIFE INSURANCE



Irish Life



NEED SOME ADVICE?

To discuss your retirement plan contact your Financial Broker or Adviser today.

Information is correct as of August 2015.

Irish Life Assurance plc, Registered in Ireland number 152576, VAT number 9F55923G.

Irish Life Assurance plc is regulated by the Central Bank of Ireland.

